

B
#334
11/27

RESOLUTION NUMBER R- 307893

DATE OF FINAL PASSAGE NOV 28 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING AN AMENDMENT
TO THE FISCAL YEAR 2013 BUDGET OF THE CITY OF
SAN DIEGO TO PROVIDE FOR THE EXPENDITURE OF
NOTE PROCEEDS RELATED TO THE ISSUANCE BY THE
CONVENTION CENTER FACILITIES DISTRICT NO. 2012-1
OF ITS SPECIAL TAX BOND AND REVENUE
ANTICIPATION NOTES SERIES 2013, MODIFYING THE
PLAN OF FINANCE FOR THE SAN DIEGO CONVENTION
CENTER PHASE III EXPANSION AND OTHER MATTERS
RELATED THERETO.

WHEREAS, the City Council of the City of San Diego (City Council) has heretofore
taken certain actions to establish the Convention Center Facilities District No. 2012-1 (CCFD)
for the purpose of financing the expansion of the San Diego Convention Center (Expansion); and

WHEREAS, on June 11, 2012, the City Council adopted Resolution No. R-307483
approving the fiscal year 2013 budget of the City (FY 2013 Budget); and

WHEREAS, on July 17, 2012, the City Council adopted Ordinance No. O-20185 entitled
“An Ordinance Adopting the Annual Budget for Fiscal Year 2013 and Appropriating the
Necessary Money to Operate the City of San Diego for Said Fiscal Year” (Appropriation
Ordinance); and

WHEREAS, on October 1, 2012, the City Council adopted Resolution No. R-307706,
which, among other things, approved a proposed Plan of Finance for the Expansion, as described
in Report to Council No. 12-114, dated September 18, 2012, and such Plan of Finance included
the issuance by the CCFD of special tax bonds (CCFD Bonds), annual support payments
(Support Payments) from the San Diego Unified Port District (Port District) and General Fund-
backed City Lease Revenue Bonds (City Bonds); and

WHEREAS, in approving the Plan of Finance, the City Council requested that Staff develop an equitable approach to allow for the City Bonds to be paid down in priority to the CCFD Bonds and Staff has presented such an approach in Report to City Council No. 12-133, dated November 6, 2012 (Report No. 12-133),

WHEREAS, the modified Plan of Finance contemplates the City entering into a support agreement (City Support Agreement) with the CCFD which would allow all excess CCFD special tax revenue to be applied toward paying down the City Bonds first in exchange for the City agreeing to make support payments to the CCFD only when and from the time that no City Bonds are outstanding and until such time as all CCFD Bonds have been repaid; and

WHEREAS, on October 16, 2012, the City Council adopted an ordinance levying a special tax within the CCFD, the collection of which is contingent upon the successful judicial validation of the CCFD and approval by the California Coastal Commission of the Expansion; and

WHEREAS, the City Council has now authorized the issuance by the CCFD of its Special Tax Bond and Revenue Anticipation Notes, Series 2013 (2013 Notes) to fund certain pre-construction costs associated with the Expansion; and

WHEREAS, the Mayor proposes to revise the FY 2013 Budget to allow for the expenditure of the proceeds of the 2013 Notes; and

WHEREAS, Section 15 of the Appropriation Ordinance authorizes the Chief Financial Officer to modify appropriations upon adopted City Council resolution; and

WHEREAS, the City Council desires to approve the budget revisions as proposed by the Mayor; NOW, THEREFORE,

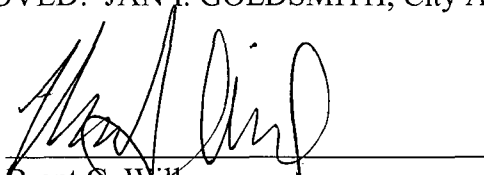
BE IT RESOLVED by the Council of the City of San Diego as follows:

1. The statements set forth in this Resolution are true and correct.
2. The Plan of Finance is modified as set forth in Report No. 12-133.
3. The form of the proposed City Support Agreement, on file with the City Clerk's office as Document No. RR- ~~307893~~ is hereby approved but shall not be executed until such time as the City Council approves the financing ordinance or ordinances authorizing the issuance of the City Bonds and the CCFD Bonds.
4. The Chief Financial Officer is authorized to establish a special interest-bearing fund for the 2013 Note proceeds titled "Convention Center Phase III Expansion 2013 Notes Fund."
5. The Chief Financial Officer is Authorized to establish a special fund titled "Convention Center Phase III Expansion Fund," to: i) deposit CCFD No. 2012-1 special tax revenues; ii) deposit Port District Annual Support payments; iii) deposit annual City payments related to the City Bonds and the City Support Agreement; iv) pay annual debt service on the 2013 Notes, the CCFD Bonds and the City Bonds; v) pay administration costs related to the CCFD; vi) pay post-issuance administration costs related to the 2013 Notes; vii) pay post-issuance administration costs related to the CCFD Bonds; viii) pay post-issuance administration costs related to the City Bonds; and ix) maintain an Internal Stabilization Fund, funded from CCFD special tax revenues, to support the City Bonds while the City Bonds remain outstanding.

6. The Chief Financial Officer is authorized to amend the Fiscal Year 2013 Capital Improvements Program Budget to increase expenditure appropriations in CIP S-12022, Convention Center Phase III Expansion, and to appropriate and expend \$53,000,000 from the Convention Center Phase III Expansion 2013 Notes Fund for the purpose of advancing the design and construction of the Expansion as specified in Report No. 12-133.
7. The budget amendment and related actions herein are contingent upon the approval and issuance of the 2013 Notes and the certification of the City Comptroller that the note proceeds are, or will be, available.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



Brant C. Will
Deputy City Attorney

BCW:jdf
11/1/12
Or.Dept:Debt Management
Companion to: R-2013-323
Doc. No.: 468401

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of NOV 27 2012.

ELIZABETH S. MALAND
City Clerk

By Mary Zumaeta
Deputy City Clerk

Approved: 11-28-12
(date)

JSA
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor